

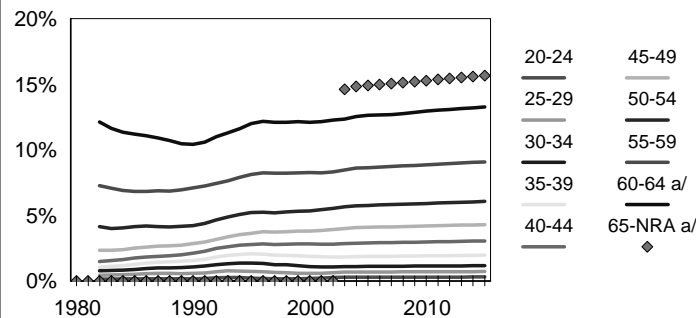
DISABILITY INSURANCE

CBO March 2004 baseline

Caseloads in thousands, outlays in billions of dollars

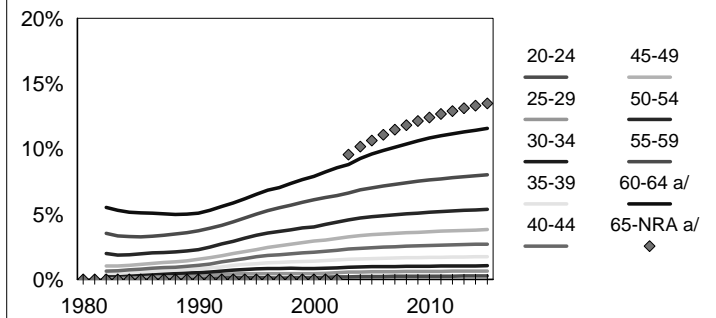
02/23/2004	1999 act	2000 act	2001 act	2002 prelim	2003 est	2004 proj	2005 proj	2006 proj	2007 proj	2008 proj	2009 proj	2010 proj	2011 proj	2012 proj	2013 proj	2014 proj
CALENDAR YEAR																
Beneficiaries (December 31)																
Disabled workers																
Men	2,801	2,856	2,952	3,070	3,225	3,383	3,511	3,644	3,779	3,873	4,001	4,102	4,211	4,287	4,336	4,403
Women	2,078	2,186	2,322	2,474	2,649	2,833	2,989	3,146	3,302	3,421	3,565	3,684	3,807	3,899	3,962	4,039
Subtotal	4,879	5,042	5,274	5,544	5,874	6,216	6,500	6,790	7,081	7,294	7,566	7,786	8,018	8,186	8,298	8,442
Spouses	176	165	157	152	151	150	148	145	143	138	135	132	128	123	118	114
Children	1,468	1,466	1,482	1,526	1,571	1,613	1,635	1,654	1,668	1,677	1,686	1,695	1,701	1,704	1,706	1,713
Total	6,524	6,673	6,913	7,221	7,595	7,979	8,283	8,589	8,891	9,109	9,388	9,612	9,847	10,013	10,122	10,268
Average benefit (December 31)																
Disabled workers																
Men	\$847	\$883	\$915	\$936	\$966	\$988	\$1,012	\$1,041	\$1,073	\$1,106	\$1,142	\$1,180	\$1,220	\$1,262	\$1,307	\$1,354
Women	\$630	\$661	\$689	\$709	\$735	\$754	\$775	\$800	\$826	\$854	\$883	\$914	\$947	\$981	\$1,017	\$1,055
Subtotal	\$755	\$786	\$815	\$834	\$862	\$882	\$903	\$929	\$958	\$988	\$1,020	\$1,054	\$1,090	\$1,128	\$1,169	\$1,211
Spouses	\$189	\$198	\$207	\$212	\$221	\$226	\$231	\$237	\$244	\$251	\$259	\$267	\$275	\$284	\$294	\$304
Children	\$216	\$228	\$238	\$245	\$254	\$260	\$267	\$275	\$284	\$294	\$304	\$314	\$326	\$338	\$350	\$363
Average disabled-worker award																
Men	\$891	\$950	\$986	\$1,020	\$1,062	\$1,067	\$1,086	\$1,124	\$1,165	\$1,206	\$1,253	\$1,303	\$1,356	\$1,410	\$1,465	\$1,522
Women	\$657	\$698	\$730	\$754	\$787	\$792	\$807	\$837	\$869	\$900	\$937	\$976	\$1,017	\$1,059	\$1,102	\$1,147
Total	\$788	\$835	\$869	\$898	\$937	\$941	\$958	\$992	\$1,029	\$1,067	\$1,108	\$1,155	\$1,202	\$1,251	\$1,302	\$1,353
Disabled workers, start of year	4,698	4,879	5,042	5,274	5,544	5,874	6,216	6,500	6,790	7,081	7,294	7,566	7,786	8,018	8,186	8,298
Awards	620	622	691	756	778	824	795	830	866	885	913	930	949	965	970	983
"Exits"	-439	-459	-459	-486	-448	-481	-511	-539	-574	-672	-641	-710	-717	-797	-857	-840
Disabled workers, end of year	4,879	5,042	5,274	5,544	5,874	6,216	6,500	6,790	7,081	7,294	7,566	7,786	8,018	8,186	8,298	8,442
Exit rate	-9.4%	-9.4%	-9.1%	-9.2%	-8.1%	-8.2%	-8.2%	-8.3%	-8.5%	-9.5%	-8.8%	-9.4%	-9.2%	-9.9%	-10.5%	-10.1%

Disabled workers as a percentage of population
Male



a. At 62 or older, eligible workers may collect either retired- or disabled-worker benefits. Disabled workers are converted to retired workers at "normal retirement age" (NRA), which climbs from 65 to 66 during this period and eventually to 67.

Disabled workers as a percentage of population
Female



a. At 62 or older, eligible workers may collect either retired- or disabled-worker benefits. Disabled workers are converted to retired workers at "normal retirement age" (NRA), which climbs from 65 to 66 during this period and eventually to 67.

(continued)

DISABILITY INSURANCE

CBO March 2004 baseline

Caseloads in thousands, outlays in billions of dollars

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
02/23/2004	act	act	act	prelim	est	proj	proj	proj	proj	proj	proj	proj	proj	proj	proj	proj

FISCAL YEAR

Regular benefits

Disabled workers	\$41.5	\$44.2	\$47.6	\$51.8	\$56.3	\$61.6	\$66.7	\$71.4	\$76.1	\$82.1	\$87.4	\$92.7	\$98.6	\$104.8	\$110.5	\$116.1
Spouses	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4
Children	\$3.6	\$3.8	\$4.0	\$4.2	\$4.5	\$4.8	\$5.0	\$5.2	\$5.5	\$5.7	\$5.9	\$6.1	\$6.4	\$6.6	\$6.9	\$7.2

Subtotal	\$45.6	\$48.4	\$52.0	\$56.4	\$61.2	\$66.9	\$72.1	\$77.0	\$81.9	\$88.2	\$93.7	\$99.2	\$105.4	\$111.8	\$117.8	\$123.7
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Retroactive benefits	\$4.9	\$5.8	\$6.2	\$7.8	\$8.6	\$10.2	\$10.6	\$10.3	\$11.0	\$11.9	\$12.7	\$13.4	\$14.3	\$15.2	\$16.1	\$17.0
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Total benefits

Disabled workers	\$45.6	\$49.1	\$52.9	\$58.6	\$63.7	\$70.6	\$76.0	\$80.4	\$85.8	\$92.7	\$98.7	\$104.7	\$111.4	\$118.4	\$125.0	\$131.4
Spouses	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$0.5	\$0.4	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Children	\$4.4	\$4.6	\$4.8	\$5.2	\$5.6	\$6.0	\$6.3	\$6.4	\$6.7	\$7.0	\$7.3	\$7.6	\$7.9	\$8.2	\$8.5	\$8.8

Subtotal	\$50.4	\$54.2	\$58.2	\$64.2	\$69.7	\$77.0	\$82.7	\$87.3	\$92.9	\$100.1	\$106.4	\$112.7	\$119.7	\$127.1	\$133.9	\$140.7
Plug	\$0.012	\$0.036	-\$0.004	-\$0.003	\$0.053	-\$0.032	-\$0.022	-\$0.021	-\$0.028	\$0.009	\$0.011	\$0.032	\$0.009	\$0.043	-\$0.033	\$0.022

Outlays (OMB Table 13.1)	\$50.4	\$54.2	\$58.2	\$64.2	\$69.8	\$77.0	\$82.7	\$87.3	\$92.9	\$100.1	\$106.4	\$112.7	\$119.7	\$127.1	\$133.9	\$140.7
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KEY ASSUMPTIONS

Average wage for indexing	\$30,470	\$32,155	\$32,922	\$33,252	\$33,703	\$34,758	\$35,983	\$37,200	\$38,628	\$40,178	\$41,778	\$43,411	\$45,088	\$46,814	\$48,596	\$50,442
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Taxable maximum	\$72,600	\$76,200	\$80,400	\$84,900	\$87,000	\$87,900	\$89,100	\$91,800	\$95,100	\$98,400	\$102,000	\$106,200	\$110,400	\$114,600	\$119,100	\$123,600
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PIA for mythical "lifelong average" disabled worker (age 50)	\$1,050	\$1,117	\$1,171	\$1,218	\$1,255	\$1,261	\$1,282	\$1,326	\$1,374	\$1,421	\$1,476	\$1,535	\$1,596	\$1,658	\$1,723	\$1,788
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Maximum PIA (age 50)	\$1,626	\$1,741	\$1,836	\$1,924	\$1,994	\$2,011	\$2,052	\$2,128	\$2,208	\$2,285	\$2,375	\$2,472	\$2,572	\$2,675	\$2,780	\$2,888
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COLA this calendar year	2.4%	3.5%	2.7%	1.4%	2.1%	1.5%	1.8%	2.1%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Date	Dec-99	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14

By convention, most Social Security program statistics are by calendar year. Benefit payments in the federal government's fiscal year (October through September) roughly track figures for the preceding December--for example, regular benefits in fiscal 2004 approximately equal recipients in December 2003 times their average amount, times twelve. COLAs and a rising NRA complicate that relationship, but it remains a useful rule of thumb.

Details may not add to totals due to rounding. A few beneficiaries are not identified by sex.

Outlays depict benefit costs only and omit vocational rehabilitation and the payment to railroad retirement (which are mandatory) and administrative costs (discretionary).

2001 COLA includes regular COLA (2.6%) in December 2001 plus retroactive 0.1% "mini-COLA" paid in summer 2001 as a result of P.L. 106-554.

"Exits" chiefly represent terminations due to death or conversion to retirement, plus some medical recoveries.

Retroactive benefits chiefly go to newly-awarded disabled workers for past months, including the months spent in processing their applications. Unusually high retroactive payments in 2002 through 2005 stem largely from processing approximately 300,000 awards to current and former SSI recipients that SSA discovered should have received DI based on work performed after they started getting SSI. (SSA announced that finding in July 2001 and initially estimated the number of people at 130,000.) Because SSI is a needs-tested program and offsets DI benefits (except for the first \$20 a month) on a dollar-for-dollar basis, most of the extra DI costs will be offset by reduced SSI benefits and reimbursement for past overpayments. The exact timing of those large reimbursements (paid by DI to the general fund) is very uncertain.

COLA=cost-of-living adjustment, PIA=primary insurance amount, NRA="normal retirement age" (when disabled workers are converted to retired workers).